






Pollution Control Projects

NSR Retooling Team Meeting

October 23, 2003

Wisconsin Department of Natural Resources

Pollution Control Project Exclusion under EPA Rule

-  **The PCP exclusion allows a project that reduces emissions of one or more air pollutants regulated under the Act to avoid major NSR review despite causing a significant emissions increase in a collateral pollutant.**
-  **Our previous rules provided a PCP exclusion to only EUSGUs. EPA extended the exclusion to other industries in a policy memo issued in 1994. The final rules replace the existing WEPCO PCP provisions and codify new requirements for all industries.**
-  **The exclusion only applies to activities at existing emissions unit; addition of new emissions units does not qualify for the exclusion.**

Pollution Control Projects

What qualifies for the Exclusion under EPA rule?

• **To qualify for the exclusion, an activity must pass two tests:**

- **Environmentally Beneficial Test (shows benefits outweigh emissions increase)**
- **Air Quality Test (shows that project will not cause or contribute to a NAAQS or PSD increment violation, or adversely impact a Class I AQRV)**

• **Listed Projects - No permit action is required, but a notice must be sent to the Reviewing Authority with information on the project and air quality analysis.**

• **Unlisted Projects - A permitting action, with public notice and comment, is required to show that both tests are satisfied.**

Identified Issues

- 1. Notice and go provisions
- 2. Emission reduction credits and their interface with PCPs

Notice required under EPA rule

- **Description of the project**
- **Potential emission increase or decreases**
- **Copy of the environmental beneficial test**
 - **statement that project is listed is sufficient**
- **Description of monitoring/record keeping**
- **Certification that project designed to stds.**
- **Demonstration PCP will not have adverse environmental impact (modeling, etc.)**

Issue with Notice and Go

- ❁ **Does not provide for Department or public input on PCP**
- ❁ **Does not provide for Notice and Go for projects that are not listed**

Notice and Go Options

- **Source may proceed with PCP after notice for listed projects at risk of DNR/EPA disagreement**
- **DNR provided with 21 day review period of notice to provide comment. No comment within 21 days, project may commence**
- **Notice and go for listed projects only, however DNR is open to additions to list**

Emission Reduction Credits and Pollution Control Projects

- **Similar approach to as that of Clean Units**
- **ERC surplus if beyond PCP levels and made enforceable through permitting process - if other pollutant increase significant NSR would apply**
- **ERC not surplus if PCP extended to account for additional reduction and meets PCP tests.**